ARMY MEDICINE
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Performance Based Adjustment Model (PBAM)

PBAM Basics

Management Division
Resource Management
U.S. Army Medical Command

November 2012

UNCLASSIFIED

Agenda

- Background
- Data and Sources
- Reports
- Methods
- Access

Background

- PBAM is a financial and budget adjustment model designed to assist the Army MEDCOM in putting it's strategic vision into action by linking budgets with access and outcomes
  - Not a Fee for Service system used to establish budgets
    - Adjusts budgets on the margins
  - Periodic adjustments to current and future year budgets based on performance in key strategic areas
  - Promotes healthcare capacity and Access to Care
    - Payments are based on changes in workload generated
  - Promotes quality clinical outcomes and patient satisfaction
    - Payments based on how well we take care of our patients
  - Promotes efficiency and data quality
    - Bonuses and penalties based on how resources and information are managed

Background

- Beginnings
- Evolution

Background

- Beginnings
  - Development began in 2005
    - Development team consisted of administrative and clinical staff – officially chartered PBAM Workgroup
  - “Shadow” year in 2006
    - No Financial adjustments made but data available for review by MTFs
  - Full implementation in 2007 with financial adjustments

- Evolution
  - PBAM has undergone many updates and refinements with more expected as the model matures. Intent is to move from retrospective model to “TRUE” prospective model by funding to Business Plans.

Background

Evolution of PBAM

Workload	FY06/07	FY08	FY09	FY10	FY11	FY12	FY13
Baseline	2-year average	Change to 1-year (prior year performance)					
Payment Rates	PPS		RVU rates adjusted to incentivize core Product lines	Additional adjustments to further incentivize PC and MH			
Ambulatory	Simple RVUs: rolling-12				Change to Enhanced Work and Practice Expense RVUs	Change to Provider Aggregate RVUs	
Inpatient			Payment for Inpatient RVUs (Work & PE)	MSDRG RWPs			
Other				Removed Provider Spec 600 RVUs	Added APCs Returned Prov Spec 600	Behavorial Health Suspended from workload resourcing (RVUs & APCs)	
Source	CHCS and M3	M2: Stopped using CHCS due to problems with RWP data					

Efficiency							
Ambulatory Targets	Targets set using MGMA and historical data for Clinical Svcs (MEPRS3)	Targets modified to account for RVU weight changes	Modified Targets to ensure appropriate values		Targets by Provider Specialty	Behavorial Health Suspended	
Inpatient Targets	Average Length of Stay by DRG			Average Length of Stay by MS-DRG	Proposed - Nursing FTEs/Occupied Bed Day		

Quality							
Outcome Metrics	6 Metrics: 3 Cancer Screening and 3 Diabetes	Added Pneumovax® Compliance	2 Metrics Added: Patient Satisfaction and IPSR	3 Metrics Added: APLSS Qs 9, 11, & 13 Pneumovax®suspended	Added 2 ORYX Questions and BMI	Added HEDIS: Well Child Vists (6 visits in first 15 months)	Stopped Using Action List: Use of HEDIS Aggregte Data
Rates by Percentile	Set at: $2.50 / $5	Rates Changed to: $5 / $10	Rates Changed to: $10 / $20	Positive and Negative Incentive with Specific Rates and Thresholds	Positive ONLY Incentive with Specific Rates and Thresholds		TRISS: Positive and Negative Incentive with Specific Rates and Thresholds
Other			Addition of Patient Satisfaction (Q21) and Inpatient Documentation (IPSR) Bonuses	Modification of Q21 Thresholds and Rates. Add a Q21 Negative Adjustment. Added Three Access to Care Questions (9, 11, & 13)	Added Q9, 11, & 13 Negative Adjustments		Added Inpatient Satisfaction (TRISS Q21) Added Medical Readiness
Source	MHS Portal HEDIS List	MHS Portal Action List	Q21: APLSS IPSR: M2	Q9, 11, & 13: APLSS	ORYX: Contractor Provided BMI: PASBA	HEDIS: MHS Pop Health Portal	Inpatient Satisfaction: TRISS Med Readiness: MEDPROS

Administrative							
Admin Metrics				SIDR & SADR Timeliness and Accuracy, MEPRS timeliness, CARA accuracy	Added PCM Continuity Bonus and Network Enrollee Primary Care Penalty		Added Inpatient Nurse Staffing
Incentives				Positive and Negative Incentive with Rates and Thresholds Specific to Each Metric	PCM Continutiy: $10 per PCM by name encoutner Network PC: $5 penalty per RVU		Positive and Negative Incentive with Rates and Thresholds
Source				EASIV, SIDR, and SADR	TOC & M2		WMSNi and DHMRSi

Data and Sources

- Data Sources
- Data Cycle

Data Sources

- Workload and Efficiency
  - M2: RVUs, APCs, RWPs, and Mental Health Bed days
  - EASIV: Provider availability data (FTEs)
- Quality
  - Evidence Based Practice
    - HEDIS data from the MHS Population Health Portal
  - Patient Satisfaction (2 Sources)
    - Army Provider Level Satisfaction Survey (APLSS)
    - TRICARE Inpatient Satisfaction Survey (TRISS)
  - ORYX: External Contract
  - Readiness: MODS/MEDPROS
  - BMI: Clinical Data Repository (CDR)
- Administrative
  - Coding Accuracy: Code Auditing Reporting Application (CARA)
  - Coding Timeliness: CARA
  - PCM Continuity: TRICARE Operations Center (TOC)
  - Network Primary Care: M2
  - Inpatient Nursing Staffing

Data Cycle

- Uses a 12-month rolling data set
- Model Year: August through July
  - Aligns the most complete 12-month data set with the Fiscal Year
  - First report of FY is based on August data, the final report is July
- PBAM baseline set using the July report
  - The July report is the final report of the FY
  - Used as part of the budgeting process for the following year
  - 12-month data set that does not change once established (Aug-Jul)
  - Follow-on year is compared to this data to make financial adjustments
- PBAM Monthly Reports
  - Reports are titled based on the final month in the data set
  - Budget modifications are made by a comparison of a the current rolling-12 to the established baseline

Reports

- Three Primary Reports
  - Capacity/Access to Care
  - Quality
  - Administrative
- Two Summary Reports
  - Financial
  - Workload

Healthcare Capacity

- Financial Adjustments made for 2 factors
  - Workload
    - Ambulatory RVUs
    - RWPs & Mental Health Bed Days
    - Inpatient RVUs
    - External Workload
  - Efficiency
    - Ambulatory
      - RVU/Provider/Day
    - Inpatient
      - Average Length of Stay

Healthcare Capacity

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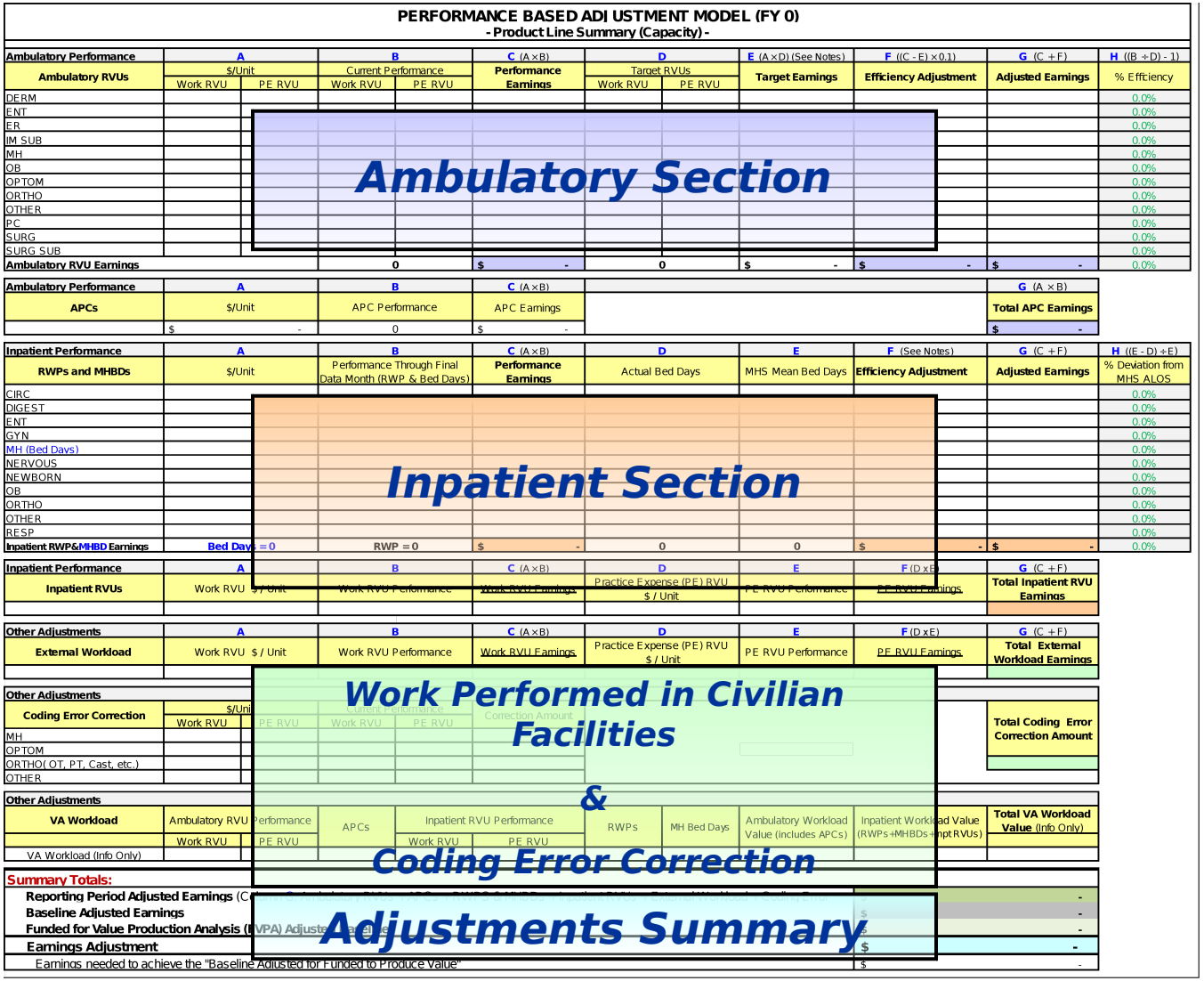
Provides information and payment amounts for workload metrics



PERFORMANCE BASED ADJUSTMENT MODEL (FY 0)
- Product Line Summary (Capacity) -

Ambulatory Performance	A		B		C (A×B)	D		E (A×D) (See Notes)	F ((C - E)×0.1)	G (C + F)	H ((B ÷D) - 1)
Ambulatory RVUs	$/Unit		Current Performance		Performance Earnings	Target RVUs		Target Earnings	Efficiency Adjustment	Adjusted Earnings	% Efficiency
	Work RVU	PE RVU	Work RVU	PE RVU		Work RVU	PE RVU				
DERM											0.0%
ENT											0.0%
ER											0.0%
IM SUB											0.0%
MH											0.0%
OB											0.0%
OPTOM											0.0%
ORTHO											0.0%
OTHER											0.0%
PC											0.0%
SURG											0.0%
SURG SUB											0.0%
Ambulatory RVU Earnings			0		$ -	0		$ -	$ -	$ -	0.0%

Ambulatory Section

Ambulatory Performance	A	B	C (A×B)		G (A×B)
APCs	$/Unit	APC Performance	APC Earnings		Total APC Earnings
	$ -	0	$ -		$ -

Inpatient Performance	A	B	C (A×B)	D	E	F (See Notes)	G (C + F)	H ((E - D) ÷E)
RWPs and MHBDs	$/Unit	Performance Through Final Data Month (RWP & Bed Days)	Performance Earnings	Actual Bed Days	MHS Mean Bed Days	Efficiency Adjustment	Adjusted Earnings	% Deviation from MHS ALOS
CIRC								0.0%
DIGEST								0.0%
ENT								0.0%
GYN								0.0%
MH (Bed Days)								0.0%
NERVOUS								0.0%
NEWBORN								0.0%
OB								0.0%
ORTHO								0.0%
OTHER								0.0%
RESP								0.0%
Inpatient RWP&MHBD Earnings	Bed Days = 0	RWP = 0	$ -	0	0	$ -	$ -	0.0%

Inpatient Section

Inpatient Performance	A	B	C (A×B)	D	E	F (D×E)	G (C + F)
Inpatient RVUs	Work RVU $ / Unit	Work RVU Performance	Work RVU Earnings	Practice Expense (PE) RVU $ / Unit	PE RVU Performance	PE RVU Earnings	Total Inpatient RVU Earnings

Other Adjustments	A	B	C (A×B)	D	E	F (D×E)	G (C + F)
External Workload	Work RVU $ / Unit	Work RVU Performance	Work RVU Earnings	Practice Expense (PE) RVU $ / Unit	PE RVU Performance	PE RVU Earnings	Total External Workload Earnings

Work Performed in Civilian Facilities

Other Adjustments						
Coding Error Correction	$/Unit		Current Performance		Correction Amount	Total Coding Error Correction Amount
	Work RVU	PE RVU	Work RVU	PE RVU		
MH						
OPTOM						
ORTHO(OT, PT, Cast, etc.)						
OTHER						

&

Coding Error Correction

Other Adjustments									
VA Workload	Ambulatory RVU Performance		APCs	Inpatient RVU Performance		RWPs	MH Bed Days	Ambulatory Workload Value (includes APCs)	Inpatient Workload Value (RWPs+MHBDs+Inpt RVUs)	Total VA Workload Value (Info Only)
	Work RVU	PE RVU		Work RVU	PE RVU					
VA Workload (Info Only)										

Summary Totals:	
Reporting Period Adjusted Earnings (C	-
Baseline Adjusted Earnings	-
Funded for Value Production Analysis (FVPA) Adjusted Earnings	-
Earnings Adjustment	-
Earnings needed to achieve the "Baseline Adjusted for Funded to Produce Value"	-

Adjustments Summary

Quality and Outcomes

- Evidence Based Practice - HEDIS
- ORYX
- Patient Satisfaction
- Inpatient Professional Services Rounds
- Body Mass Index (BMI)
- Medical Readiness

Quality and Outcomes

- Evidence Based Practice (HEDIS)
  - Metrics (9)
    - Asthma Medications
    - Breast Cancer Screening
    - Cervical Cancer Screening
    - Colorectal Cancer Screening
    - Diabetes (3): A1c Test, A1c Control, and LDL-C Control
    - Chlamydia Screening
    - Well Child Visits
  - 50th Percentile and 90th Percentile incentives
    - Percentiles unique to each metric
- ORYX
  - Metrics (2)
    - Childhood asthma : Home care plan prior to discharge: 90%
    - Antibiotics given within 1 hour prior to cut time: 98%

Quality and Outcomes

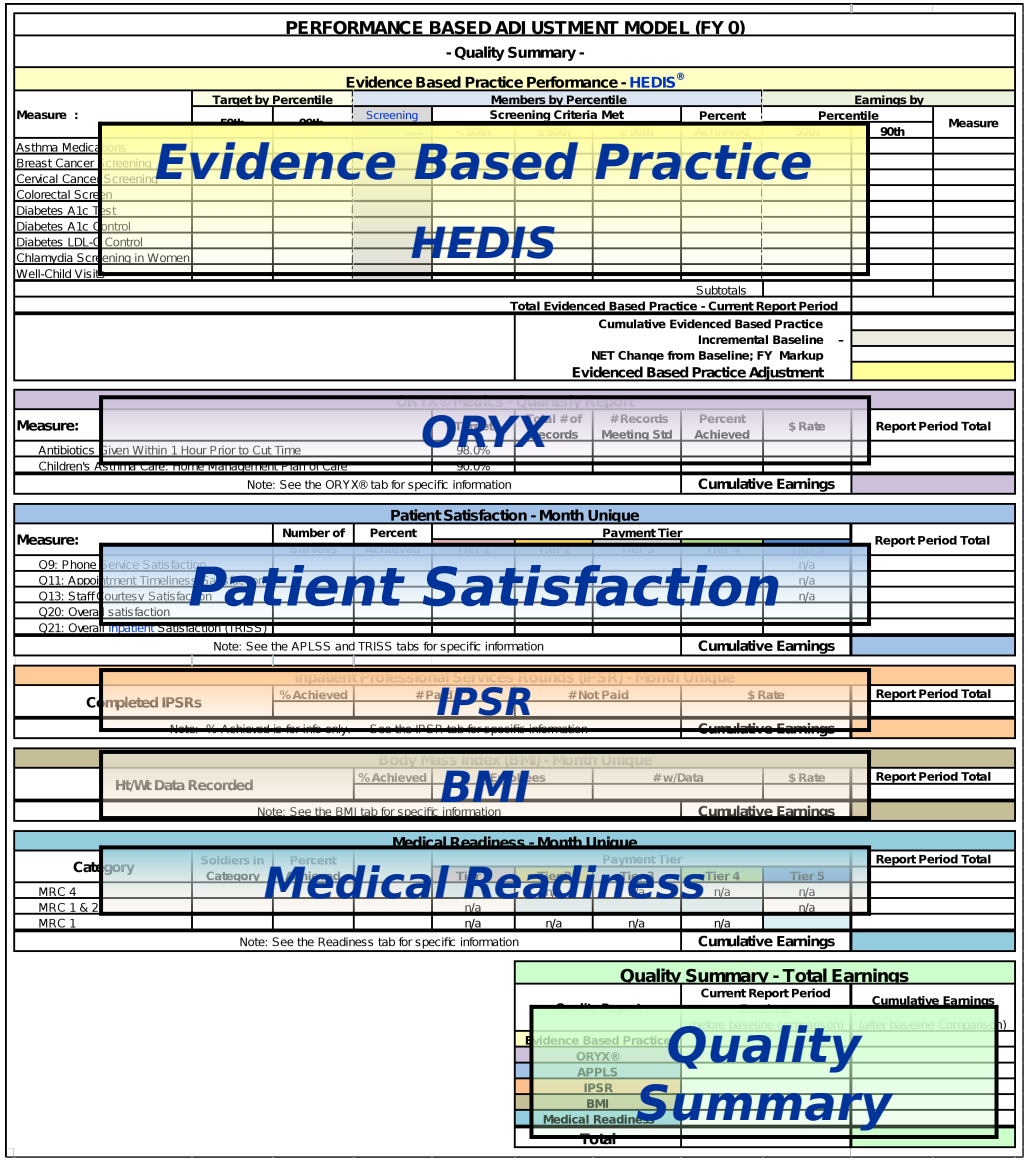
- Patient Satisfaction
  - One question for Patient Satisfaction (APLSS)
    - Q20: Everything considered, how satisfied were you with "MTF X" during this visit?
  - Three questions for Access to Care (APLSS) – How do you rate:
    - Q9: Phone service you received in scheduling the appointment for this visit.
    - Q11: The amount of time from when you made the appointment until you actually saw the healthcare provider.
    - Q13: Courtesy and helpfulness of the staff during this visit.
  - One Question for Inpatient Satisfaction (TRISS)
    - Q21: "Using any number from 0 to 10, where 0 is the worst hospital possible and 10 Is the best hospital possible, what number would you use to rate this hospital during your stay?"
  - Incentive targets and amounts differ by question

Quality and Outcomes

- Inpatient Professional Services Rounds (IPSR)
  - Recognizes and incentivizes documentation of inpatient professional services
- Body Mass Index (BMI)
  - Incentivizes recording the Height and Weight in the Vitals table in AHLTA
- Medical Readiness
  - Incentivizes the readiness condition of the Active Duty Soldier

Quality and Outcomes

Provides information and payment amounts for Quality metrics



Administrative Performance

- MEPRS Transmission
- Coding Accuracy (CARA Audits)
  - E&M, CPT, and ICD9 codes
- Primary Care Management
  - Network Primary Care
  - Primary Care Manager (PCM) Continuity
- SIDR/SADR Metrics
- Inpatient Nurse Staffing

Administrative Performance

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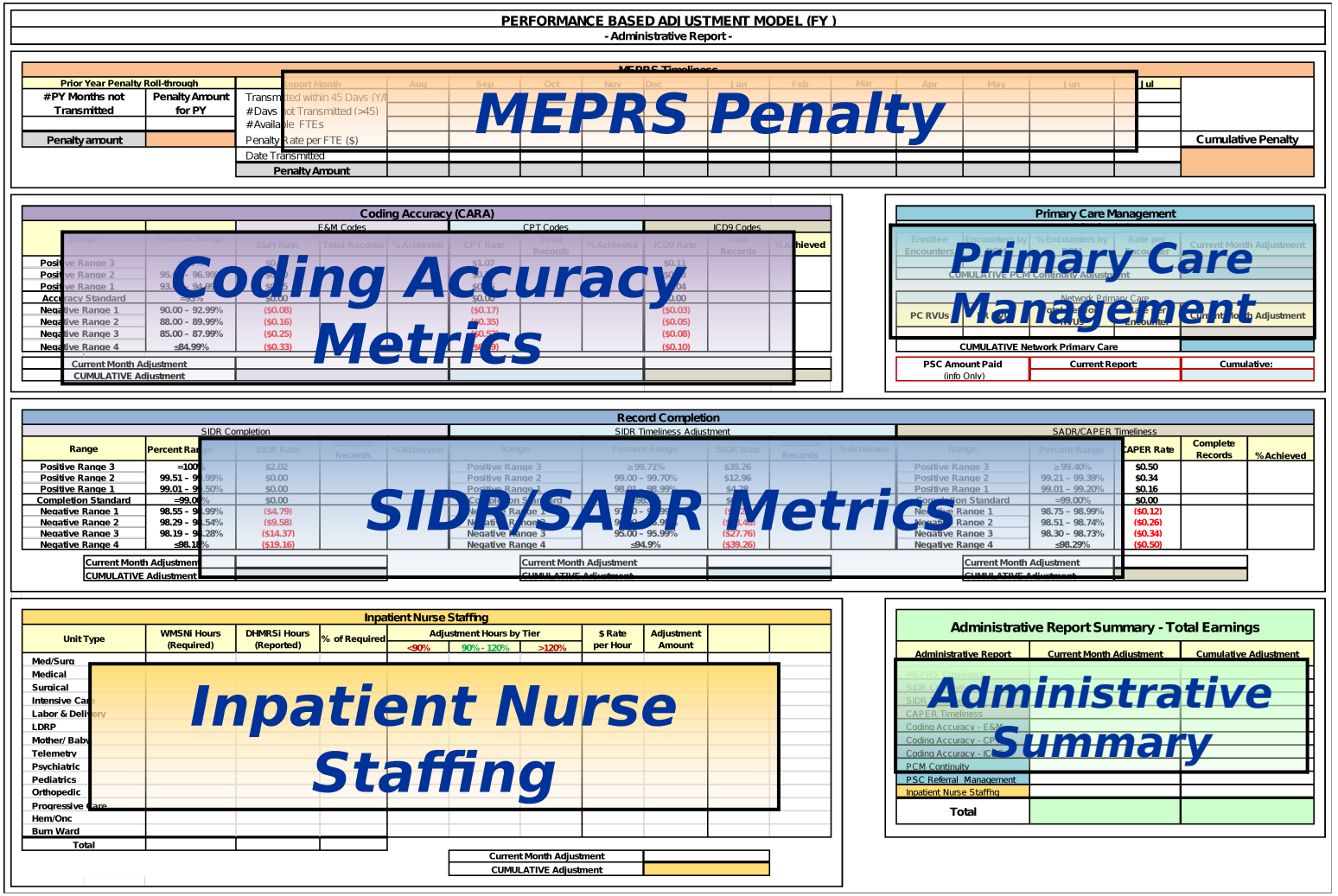
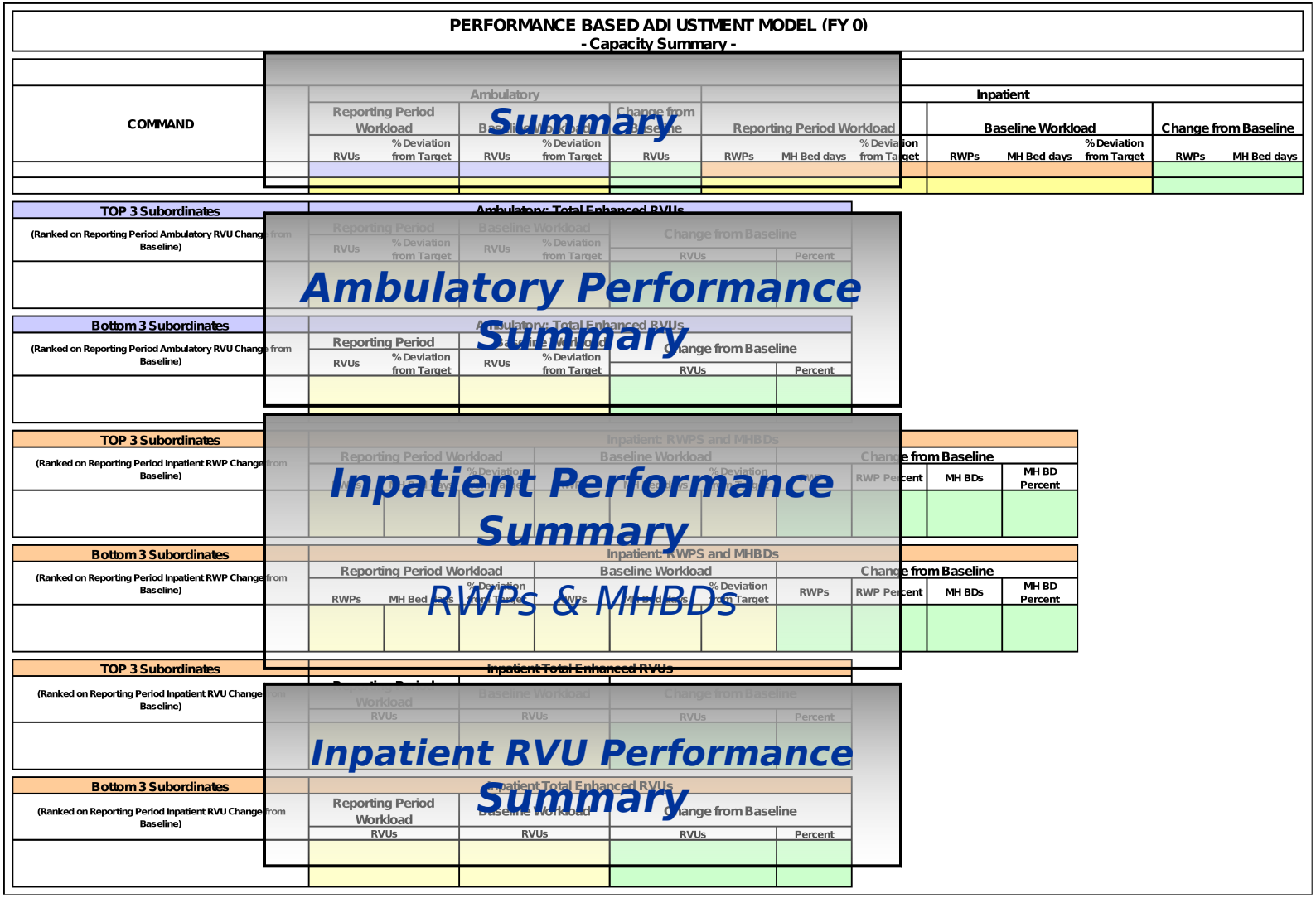
Provides information and payment amounts for administrative processes



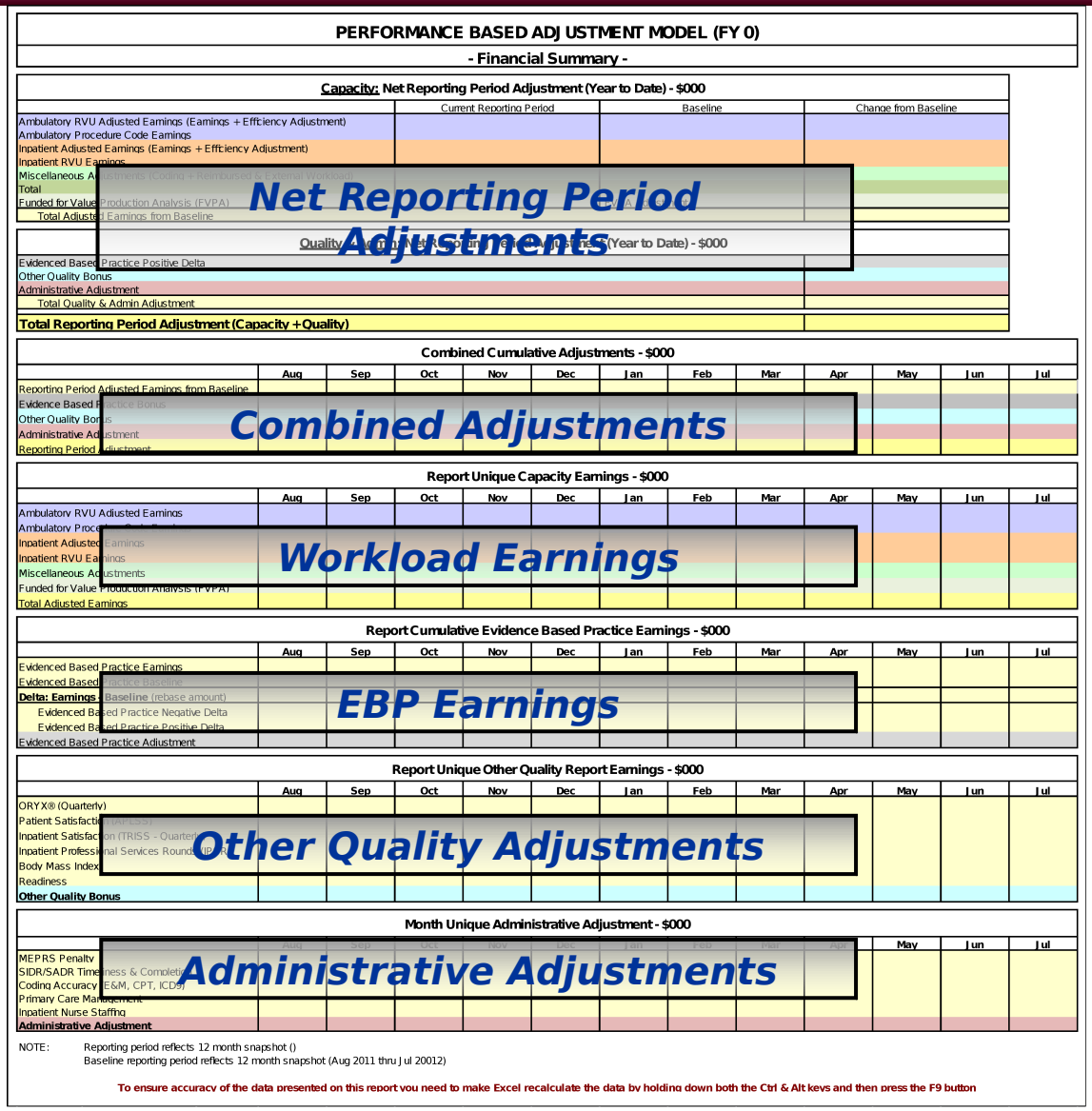
Workload Summary

Provides a summary view of the workload data from the Product Line Summary



Financial Summary

Provides a roll-up view of financial adjustment information from the three Primary Reports



PERFORMANCE BASED ADJUSTMENT MODEL (FY 0)

- Financial Summary -

Capacity: Net Reporting Period Adjustment (Year to Date) - $000

	Current Reporting Period	Baseline	Change from Baseline
Ambulatory RVU Adjusted Earnings (Earnings + Efficiency Adjustment)			
Ambulatory Procedure Code Earnings			
Inpatient Adjusted Earnings (Earnings + Efficiency Adjustment)			
Inpatient RVU Earnings			
Miscellaneous Adjustments (Coding + Reimbursed Clinical Workload)			
Total			
Funded for Value Production Analysis (FVPA)			
Total Adjusted Earnings from Baseline			

Net Reporting Period Adjustments

Quality & Admin Adjustment Report Card Scores (Year to Date) - $000

Evidenced Based Practice Positive Delta	
Other Quality Bonus	
Administrative Adjustment	
Total Quality & Admin Adjustment	
Total Reporting Period Adjustment (Capacity + Quality)	

Combined Cumulative Adjustments - $000

	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul
Reporting Period Adjusted Earnings from Baseline												
Evidence Based Practice Bonus												
Other Quality Bonus												
Administrative Adjustment												
Reporting Period Adjustment												

Combined Adjustments

Report Unique Capacity Earnings - $000

	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul
Ambulatory RVU Adjusted Earnings												
Ambulatory Procedure Code Earnings												
Inpatient Adjusted Earnings												
Inpatient RVU Earnings												
Miscellaneous Adjustments												
Funded for Value Production Analysis (FVPA)												
Total Adjusted Earnings												

Workload Earnings

Report Cumulative Evidence Based Practice Earnings - $000

	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul
Evidenced Based Practice Earnings												
Evidenced Based Practice Baseline												
Delta: Earnings - Baseline (rebase amount)												
Evidenced Based Practice Negative Delta												
Evidenced Based Practice Positive Delta												
Evidenced Based Practice Adjustment												

EBP Earnings

Report Unique Other Quality Report Earnings - $000

	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul
ORYX® (Quarterly)												
Patient Satisfaction (AHPLESS)												
Inpatient Satisfaction (TRISS - Quarterly)												
Inpatient Professional Services Roundup												
Body Mass Index												
Readiness												
Other Quality Bonus												

Other Quality Adjustments

Month Unique Administrative Adjustment - $000

	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul
MEPRS Penalty												
SIDR/SADR Timeliness & Completeness												
Coding Accuracy (E&M, CPT, ICD9)												
Primary Care Management												
Inpatient Nurse Staffing												
Administrative Adjustment												

Administrative Adjustments

NOTE: Reporting period reflects 12 month snapshot ()
Baseline reporting period reflects 12 month snapshot (Aug 2011 thru Jul 20012)

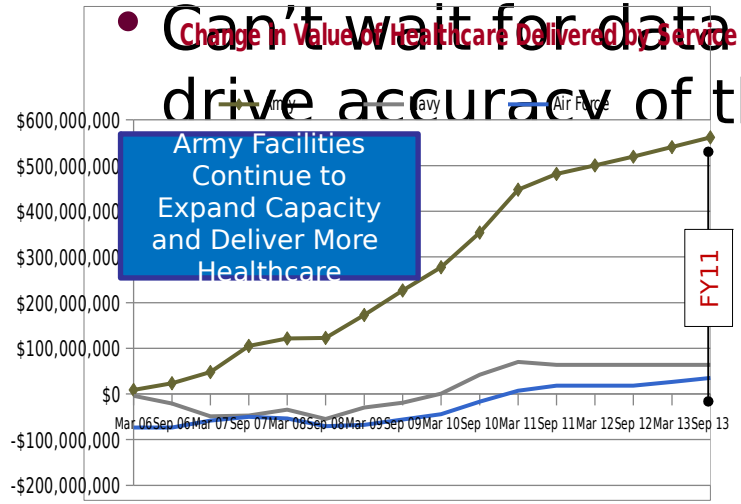
To ensure accuracy of the data presented on this report you need to make Excel recalculate the data by holding down both the Ctrl & Alt keys and then press the F9 button

PBAM System & Access

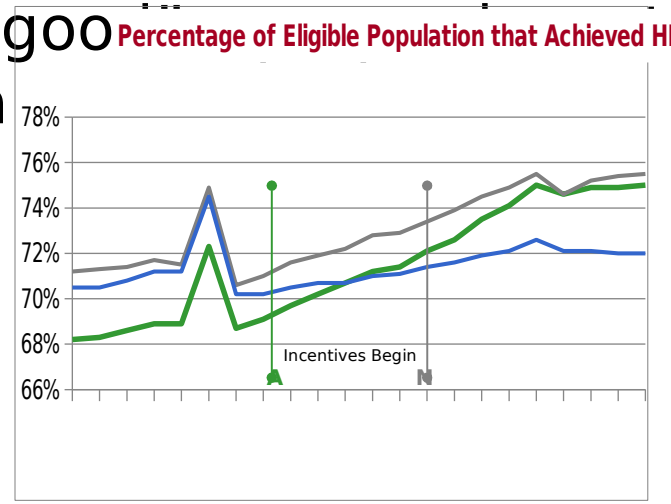
- Web based
  - HTTP Secure access protocol
  - Reports are published from the web using Microsoft Excel
  - No special programs required by end-users
- CAC access
  - CAC are required for access
  - Specific users identified
  - Uses Active Directory to validate access permission
  - Eliminates user name and password requirements
- All reports available to all users
  - Allows for peer comparison
- Report availability
  - New reports monthly with all historical reports maintained for review
  - Published at Medical Command, Regional Command, Parent DMIS, and child DMIS levels

Conclusion

- Key – incentivize the “right” metrics
- Incentives work - need to know second and third order effect
- Risk is taken at the MACOM level
- Stability in the model is desired at the user level – only take on enduring incentives – not a “Christmas Tree”
- Can’t wait for data to be “goo… drive accuracy of the data



Dashed lines represent projected values based on Business Planning



Questions?